

Commonwealth of Kentucky
Natural Resources and Environmental Protection Cabinet
Department for Environmental Protection
Division for Air Quality
803 Schenkel Lane
Frankfort, Kentucky 40601
(502) 573-3382

AIR QUALITY PERMIT

Permittee Name: Kentucky Electric Steel, Incorporated
Mailing Address: P. O. Box 3500, Ashland, Kentucky 41105

Source Name: Kentucky Electric Steel, Incorporated
Mailing Address: Same as above

Source Location: 12 miles west of Ashland on U.S. 60, Coalton, Kentucky

PERMIT TYPE: Federally-Enforceable Title V
Review Type: Operating, Synthetic Minor

Permit Number: V-98-031
Log Number: E982
Application
Complete Date: February 14, 1997
KYEIS ID #: 103-0340-0020
AFS Plant ID: 21-019-00020
SIC Code: 3312

Region: Huntington/Ashland
County: Boyd

Issuance Date: June 2, 1999
Expiration Date: June 2, 2004

John E. Hornback, Director
Division for Air Quality

TABLE OF CONTENTS

<u>SECTION</u>		<u>DATE OF ISSUANCE</u>	<u>PAGE</u>
SECTION A	PERMIT AUTHORIZATION	June 2, 1999	1
SECTION B	EMISSION POINTS, EMISSION UNITS APPLICABLE REGULATIONS, AND OPERATING CONDITIONS	June 2, 1999	2
SECTION C	INSIGNIFICANT ACTIVITIES	June 2, 1999	14
SECTION D	SOURCE EMISSION LIMITATIONS AND TESTING REQUIREMENTS	June 2, 1999	15
SECTION E	SOURCE CONTROL EQUIPMENT OPERATING REQUIREMENTS	June 2, 1999	15
SECTION F	MONITORING, RECORD KEEPING, AND REPORTING REQUIREMENTS	June 2, 1999	16
SECTION G	GENERAL CONDITIONS	June 2, 1999	19
SECTION H	COMPLIANCE SCHEDULE	June 2, 1999	23

SECTION A - PERMIT AUTHORIZATION

Pursuant to a duly submitted application which was determined to be complete on February 14, 1997, the Kentucky Division for Air Quality hereby authorizes the operation of the equipment described herein in accordance with the terms and conditions of this permit. This permit has been issued under the provisions of Kentucky Revised Statutes Chapter 224 and regulations promulgated pursuant thereto.

The permittee shall not construct, reconstruct, or modify any affected facilities without first having submitted a complete application and receiving a permit for the planned activity from the permitting authority, except as provided in this permit or in the Regulation 401 KAR 50:035, Permits.

Issuance of this permit does not relieve the permittee from the responsibility of obtaining any other permits, licenses, or approvals required by this Cabinet or any other federal, state, or local agency.

SECTION B - EMISSION POINTS, EMISSIONS UNITS, APPLICABLE REGULATIONS, AND OPERATING CONDITIONS**02 (01) - Electric arc furnaces(EAFs), Ladle metallurgy furnace (LMF) and the associated Dust handling equipment****Description:**

The two Lectromelt electric arc furnaces A and B have maximum capacities of 34 tons/hr, each. The emissions are vented by direct shell evacuation through side draft hoods and overhead canopy hood system to the baghouse. This emission point covers emissions due to charging, melting, and tapping. The (6) six oxy-fuel burners operate on natural gas and oxygen and are capable of firing at up to 10 million Btu/hr, each. The LMF is a steel purification and refining process. The emissions from the LMF are captured by a hooding system and vented to the same Harsell baghouse. The LMF has the capacity to refine 68 tons per hour of molten steel. The emissions from the associated dust handling equipment are also vented to the same Harsell baghouse.

Construction commenced: EAFs - 1981;
LMF- June, 1995;
Baghouse - 1976

APPLICABLE REGULATIONS:

401 KAR 59:570 - Standards of performance for steel plants: electric arc furnaces constructed after October 21, 1974, and on or before August 17, 1983, is governed by 40 CFR 60, Subpart AA.

STATE-ORIGIN APPLICABLE REGULATIONS:

401 KAR 63:021 - Existing sources emitting toxic air pollutants.

1. Operating Limitations:

- 1- The total steel production from both furnaces shall not exceed 403,200 tons/yr, with each furnace producing no more than 34 tons/hr. (Self imposed to preclude the applicability of 401 KAR 51:052, Review of new sources in or impacting upon nonattainment areas)
- 2- The control system fan amperes shall fall within the same range of values recorded during the latest performance test (See testing requirements). However, the permittee have the option of installing , calibrating, and maintaining a monitoring device that continuously records the volumetric flow rate at the baghouse inlet. A shop opacity compliance demonstration shall be performed to establish volumetric flow rate and damper positions. [60.274 (b) and (c)]
- 3- The static pressure in the free space inside the EAFs shall not exceed the levels established during the latest performance test. The owner or operator shall install, calibrate and maintain a monitoring device that continuously records the pressure in the free space inside the EAF. The pressure shall be recorded as 15-minute integrated averages. The pressure monitoring device shall have an accuracy of plus or minus 5 mm of water gauge over its normal operating range and shall be calibrated according to the manufacturer's instructions (See testing requirements). However, the permittee have the option to conduct daily visual emissions observations as an alternative to furnace static pressure monitoring. Under the alternative, the permittee shall perform shop opacity observations once per day during a meltdown and refining period.[60.274 (b) and (c)]

SECTION B - EMISSION POINTS, EMISSIONS UNITS, APPLICABLE REGULATIONS, AND OPERATING CONDITIONS

- 4- The steel production from the LMF shall not exceed 68 tons/hr and 403,200 ton/yr. (To correspond with the furnaces production limits) The LMF is not subject to 401 KAR 59:570 - Standards of performance for steel plants: electric arc furnaces constructed after October 21, 1974, and on or before August 17, 1983, is governed by 40 CFR 60, Subpart AA.

2. Emission Limitations:

- (1) Particulate emissions from the baghouse excluding the LMF emissions shall not exceed 0.0052 grains/dscf (12 mg/dscm) [40 CFR 60, Subpart AA, Section 60.272(a)(1)].
- (2) Visible emissions from the baghouse shall not equal or exceed 3% opacity [40 CFR 60, Subpart AA, Section 60.272(a)(2)].
- (3) Visible emissions from the melting shop and, due solely to operations of any EAF(s), shall not exhibit 6 percent opacity or greater except [40CFR60, Subpart AA, Section 60.272(a)(3)]:
 - (I) Shop opacity less than 20 percent may occur during charging periods.
 - (II) Shop opacity less than 40 percent may occur during tapping periods.
 - (III) Opacity standards under paragraph (3) shall apply only during periods when the monitoring parameter limits specified in Section 60.274(b) are being established according to Section 60.274(c) and (g), unless the permittee elects to perform daily shop opacity observations in lieu of furnace static pressure monitoring as provided for under Section 60.273(d).
 - (IV) Where the capture system is operated such that the roof of the shop is closed during the charge and the tap, and emissions to the atmosphere are prevented until the roof is opened after completion of the charge or tap, the shop opacity standards under paragraph (3) shall apply when the roof is opened and shall continue to apply for the length of time defined by the charging and/ or tapping periods.[40 CFR 60, Subpart AA, Section 60.272(a)(2)]
- (4) Visible emissions from dust handling equipment shall not equal or exceed 10 percent opacity. [40 CFR 60, Subpart AA, Section 60.272(b)]
- (5) Lead emissions from the baghouse shall not exceed 0.486 lbs/hr [401 KAR 63:021, Existing sources emitting toxic air pollutants].

3. Testing Requirements:

A stack test shall be conducted within a year of issuance of this permit, to determine compliance with the allowable particulate emissions rate, as listed in this permit, from the baghouse. The owner or operator shall notify the Division of the performance test at least 30 days prior to the proposed test date and shall obtain approval from the Division for the procedures that will be used to determine compliance. (See Section D)

Method 5D shall be used for positive-pressure fabric filters to determine compliance with the particulate matter concentration limits listed in the permit. The sampling time and sample volume for each run shall be at least 4 hours and 4 ½ dscm (160 dscf). If a single EAF is sampled, the sampling time shall include an integral number of heats.

When emissions from any EAFs are combined with emissions from facilities not subject to the provisions of Subpart AA, KES shall use either or both of the following procedures to demonstrate compliance with 60.272(a)(3):

SECTION B - EMISSION POINTS, EMISSIONS UNITS, APPLICABLE REGULATIONS, AND OPERATING CONDITIONS

- (1) Determine compliance using the combined emissions.
- (2) Shut down operation of facilities not subject to the provisions of Subpart AA during the performance test.

Method 9 shall be used to determine compliance with the opacity limits for emissions from the baghouse and baghouse handling equipment listed in the permit

Method 9 shall be used to determine compliance with the opacity limits for emissions not captured to the baghouse.

During any performance test no gaseous diluents shall be added to the effluent gas after the fabric in the control equipment, unless the amount of dilution is separately determined and considered in the determination of emissions.

All test runs performed to comply with requirements listed for this emission point shall be conducted concurrently, unless inclement weather interferes.

The performance test, shall be used to establish the minimum control system fan amperage and all damper positions, during all periods in which the hood is operated for the purpose of capturing emissions from the EAFs, and the maximum pressure in the free space inside the EAFs, during the meltdown and refining periods. These parameters shall be established using the same equipment, approved by the Division, that shall be used to demonstrate compliance with these values on a continuous basis.

For the periods when EAFs free space static pressure and the fan amperage are being established, the emissions exiting the melt shop shall not exceed 20% opacity during charging periods, and 40% opacity during tapping periods.

The value of the static pressure shall be the highest 15-minute integrated average recorded during the performance test where KES can show that the visible emissions limit of six percent opacity specified in 60.272 (a)(3) was achieved. Similarly, the acceptable range for the control system fan amperes shall be based upon the range of values recorded during the performance test where KES can show that the visible emission limit specified in 60.272(a)(3) was achieved.. The lower end of the range shall be 15 percent below the lowest fan amperes recorded during the test where compliance with the opacity standard is demonstrated and the upper end of the range shall be 15 percent above the highest fan amperes recorded during the test where compliance with the opacity standard is demonstrated. Only static pressure and fan amperes data from time periods during which KES has collected visible emission observations of the EAFs shop openings in accordance with 40 CFR 60, Appendix A, Method 9 may be used to establish the acceptable ranges for these operating parameters.

During the performance test, KES shall monitor the following information for all heats covered by the test:

- (1) Charge weights and materials, and tap weights and materials;
- (2) Heat times, including start and stop times, and a log of process operation, including periods of no operation during testing and the pressure inside the furnace where direct-shell evacuation systems are used;
- (3) Control device operation log. Pressure drop readings across the baghouse, results of visual inspections of the bags and the control system fan motor amperes are some of the parameters that need to be monitored and recorded in the log book during the test; and
- (4) Reference Method 9 data.

SECTION B - EMISSION POINTS, EMISSIONS UNITS, APPLICABLE REGULATIONS, AND OPERATING CONDITIONS

The owner or operator may petition the Division to approve further testing of particulate emissions from the baghouses whenever the owner or operator can demonstrate to the Division's satisfaction that the EAF operating conditions upon which the parameters were established are no longer applicable. Any such petition shall be made at least 30 days prior to the proposed performance test and shall include all the procedures that will be used to determine compliance.

4. Specific Monitoring Requirements:

- (1) Kentucky Electric Steel shall maintain daily records of the following information [Subpart AA, Section 60.274]:
 - (a) Time and duration of each charge;
 - (b) Time and duration of each tap;
 - (c) Hours of operation per day for each EAF and for the LMF;
 - (d) Check and record on a once-per-shift basis the furnace static pressure, if a monitor is installed. Note, that KES is allowed to locate the furnace static pressure monitor in the EAF or DEC duct prior to the introduction of ambient air;
 - (e) Check and record on a once-per-shift basis the control system fan motor amperes and damper positions. If the Permittee wishes to monitor the control system volumetric flow rate at the inlet to the baghouse as an alternative to monitoring fan amperage, then operations at volumetric flow rates below the value established during the compliance demonstration that was conducted to establish volumetric flow rate and damper positions, shall be reported to Ashland Regional Office semi-annually.
- (2) Perform monthly operational status inspections of the equipment that is important to the performance of the total capture system (e.g., pressure sensors, dampers, and damper switches). This inspection shall include observations of the physical appearance of the equipment(e.g., presence of hole in ductwork or hoods, flow constrictions caused by dents or accumulated dust in the ductwork, and fan erosion). Any deficiencies shall be noted in a log book and proper maintenance performed. [Subpart AA, Section 60.274]
- (3) Install, calibrate, and maintain a monitoring device that continuously records the pressure in the free space inside the EAF. The pressure shall be recorded as 15 minute integrated averages. The pressure monitoring device shall have an accuracy of plus or minus 5 mm of water gauge over its normal operating range and shall be calibrated according to the manufacturer's instructions. If the permittee wishes to use visual emissions observations instead, then the permittee shall perform shop opacity observations once per day during a meltdown and refining period. [Subpart AA, Section 60.274]
- (4) A certified visible emissions observer shall read visible emissions as follows:[Subpart AA, Section 60.273]
 - (a) Visible emission observations from the baghouse shall be conducted at least once per day when the furnace is operating in the melting and refining period.

SECTION B - EMISSION POINTS, EMISSIONS UNITS, APPLICABLE REGULATIONS, AND OPERATING CONDITIONS

- (b) Visible emission observations from the melt shop shall be conducted at least once per day for a period of six months from the issuance date of this permit. If no visible emission exceedances were recorded during the six months period, then KES shall subsequently conduct the observations on a once per week basis. However, if KES had an opacity exceedance during the first six months of monitoring, then KES shall continue monitoring opacity based on daily basis until a six months monitoring period free of any opacity exceedances has been achieved. Only then, KES will be allowed to cut down the frequency of opacity monitoring to weekly basis. Any opacity exceedances shall be reported to the Ashland field office in the semiannual report.
- (c) Visible emission observations from the operation of dust handling equipment of the baghouse shall be conducted at least once per month from the issuance date of this permit.

These observations shall be made for at least three 6-minute periods and shall be recorded for each point(s) where visible emissions are observed.

Where it is possible to determine that a number of these visible emission sites relate to only one incident of visible emissions, one set of three 6-minute observations shall be required. In this case, Method 9 observations must be made for the site of highest opacity that directly relates to the cause (or location) of visible emission observed during a single incident.

5. Specific Record Keeping Requirements:

- (1) Kentucky Electric Steel shall keep the following records on daily basis [401 KAR 50:035, Section 7(1)(d)2]:
 - (a) Time and duration of each charge;
 - (b) Time and duration of each tap;
 - (c) Hours of operation per day for each EAF and for the LMF;
 - (d) Record on a once-per-shift basis the furnace static pressure. The pressure shall be recorded as 15 minute integrated averages (See testing requirements). If the permittee wishes to perform shop opacity observations instead, then the permittee shall keep records of all observations. Observations of shop opacity at or above six percent during a meltdown and refining period shall be reported to the Ashland Regional Office semi-annually as an excess emission
 - (e) Record on a once-per-shift basis the control system fan motor amperes and damper positions, during all periods the hood is operated for the purpose of capturing emissions from the EAFs; (See testing requirements) If the Permittee wishes to monitor the control system volumetric flow rate at the inlet to the baghouse as an alternative to monitoring fan amperage, then operations at volumetric flow rates below the value established during the compliance demonstration that was conducted to establish volumetric flow rate and damper positions, shall be reported to Ashland Regional Office semi-annually.
- (2) Record the results of the monthly operational status inspections of the equipment that is important to the performance of the total capture system (e.g., pressure sensors, dampers, and damper switches). This inspection shall include observations of the physical appearance of the equipment (e.g, presence of hole in ductwork or hoods, flow constrictions caused by dents or accumulated dust in the ductwork, and fan erosion). Any deficiencies shall be noted in a log book and proper maintenance performed. [401 KAR 50:035, Section 7(1)(d)2]

SECTION B - EMISSION POINTS, EMISSIONS UNITS, APPLICABLE REGULATIONS, AND OPERATING CONDITIONS(CONTINUED)

- (3) Record the results of calibrations, and maintenance performed on the EAF's free space continuous pressure measuring device. (If applicable) [401 KAR 50:035, Section 7(1)(d)2]
- (4) Records of opacity readings. [401 KAR 50:035, Section 7(1)(d)2]

6. Specific Reporting Requirements:

Kentucky Electric Steel shall report the following information [40 CFR60.276]:

- (a) Records of opacity readings from the baghouse shall be maintained for any six-minute average that is in excess of 3% and be reported to the Division's Ashland Regional Office semiannually.
- (b) Operation at a furnace static pressure that exceeds the value established under 60.274 (f) and either operation of control system fan motor amperes at values exceeding plus or minus 15 % of the value established under 60.274(c) or operation at flow rates lower than those established under 60.274(c) may be considered by the Division to be unacceptable operation and maintenance of the affected facility. Operation at such values shall be reported to the Division's Ashland Regional Office semiannually. If the permittee wishes to monitor shop opacity on a daily basis instead, then all daily shop opacity readings in excess of 6% shall be reported to Ashland Regional Office semiannually.
- (c) When KES is required to demonstrate compliance with the standard under 60.275 (b)(2) or a combination of (b)(1) and (b)(2) of Section 60.275(b), KES shall obtain approval from the Division of the procedure (s) that will be used to determine compliance. Notification of the procedure(s) to be used must be postmarked 30 days prior to the performance test.
- (d) The performance test report; that is required under the testing requirements; shall include the following information:
 - 1. Facility name and address;
 - 2. Plant representative;
 - 3. Make and model of process, control device, and continuous monitoring equipment;
 - 4. Flow diagram of process and emission capture equipment including other equipment or process(es) ducted to the same control device;
 - 5. Rated (design) capacity of process equipment;
 - 6. The data required under 60.274(I) of Subpart AA;
 - 7. The dates and test times;
 - 8. Test company;
 - 9. Test company representative;
 - 10. Test observers from outside agency;
 - 11. Description of test methodology used, including any deviations from standard reference methods;
 - 12. Schematic of sampling location;
 - 13. Number of sampling points;
 - 14. Description of sampling equipment;
 - 15. Listing of sampling equipment calibrations and procedures;
 - 16. Field and laboratory data sheets;
 - 17. Description of sample recovery procedures;
 - 18. Sampling equipment leak check results;
 - 19. Description of quality assurance procedure;
 - 20. Description of analytical procedures;
 - 21. Sample emission calculations.

SECTION B - EMISSION POINTS, EMISSIONS UNITS, APPLICABLE REGULATIONS, AND OPERATING CONDITIONS(CONTINUED)

7. Specific Control Equipment Operating Conditions:

The Harsell reverse air baghouse shall be operated at all times the melt shop operates. The Harsell baghouse shall be regularly inspected, maintained and operated so as to achieve its design control efficiency.

SECTION B - EMISSION POINTS, EMISSIONS UNITS, APPLICABLE REGULATIONS, AND OPERATING CONDITIONS(CONTINUED)

05 (4) Continuous caster

Description:

The continuous steel billets caster is made up of three operations; the tundish station , the combustion of natural gas to keep the tundish hot, and the torch cutting process. Tundish is a metal container which holds molten steel.

The caster has a 120 TPH rated capacity.

The burner has a 24.4 mmBtu/hr rated capacity.

Construction commenced: 1968

APPLICABLE REGULATIONS:

401 KAR 59:010, Section 3(2), New process operations applicable to each emission unit which commenced construction after July 2, 1975.

1. Operating Limitations:

Total steel cast shall not exceed 120 tons/hr and 403,200 tons/yr.

2. Emission Limitations:

- a. Visible emissions shall not equal or exceed 40% opacity [401 KAR 61:020, Section 3(1)(a)].
- b. Particulate emissions from the continuous caster shall not exceed 7.37 lbs/hr and 32.285 tons/yr [401 KAR 61:020, Section 3(2)]

3. Testing Requirements: None

4. Specific Monitoring Requirements:

Kentucky Electric Steel shall monitor the following [401 KAR 50:035, Section 7(1)(c)2]:

- (1) The daily molten steel cast;
- (2) Hours of operation per month;
- (3) Visible emissions at least once per month using U.S.EPA Reference Method 9.

Compliance with the steel cast limits shall be monitored each month by comparing the allowable hourly cast rate to the total steel cast each month divided by the hours of operation each month.

Particulate emissions = (Total steel cast each month in tons x Emissions factor from KY IS in lbs/ton) / Hours of operation per month.

5. Specific Record Keeping Requirements:

Retain records of the following for the continuous caster [401KAR 50:035,Section 7(1)(d)2]:

- (1) The daily molten steel cast;
- (2) Hours of operation per month;
- (3) Monthly visible emissions using U.S.EPA Reference Method 9.

SECTION B - EMISSION POINTS, EMISSIONS UNITS, APPLICABLE REGULATIONS, AND OPERATING CONDITIONS(CONTINUED)

6. Specific Reporting Requirements:

Kentucky Electric Steel shall report all the opacity measurements that are in excess of the emission limits specified in this permit on semiannual basis to the Division's Ashland Regional office [401 KAR 50:035, Section 7(1)(e)].

SECTION B - EMISSION POINTS, EMISSIONS UNITS, APPLICABLE REGULATIONS, AND OPERATING CONDITIONS(CONTINUED)

04 (5) - The Billet reheat furnace

Description:

Natural gas fired reheat furnace made by Amsler-Morton Co. The furnace rated capacity is 140 tons per hour and the burners have a total rated capacity of 210 mmBTU per hour. Natural gas is used as the primary fuel with No. 2 Fuel oil and propane as backup fuels.

Construction commenced: June, 1981.

APPLICABLE REGULATIONS: None

- 1. Operating Limitations: None**
- 2. Emission Limitations: None**
- 3. Testing Requirements: None**
- 4. Specific Monitoring Requirements: None**
- 5. Specific Record Keeping Requirements: None**
- 6. Specific Reporting Requirements: None**

SECTION B - EMISSION POINTS, EMISSIONS UNITS, APPLICABLE REGULATIONS, AND OPERATING CONDITIONS(CONTINUED)

06 (6) Plant roads and parking lots

Construction commenced: 1968

APPLICABLE REGULATIONS: None

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STATE-ORIGIN APPLICABLE REGULATIONS:

401 KAR 63:010, Fugitive emissions, applicable to each operation, or road which emits or may emit fugitive emissions provided that the fugitive emissions from such facility are not elsewhere subject to an opacity standard within the regulations of the Division for Air Quality.

1. **Operating Limitations:** None
2. **Emission Limitations:** None
3. **Testing Requirements:** None
4. **Specific Monitoring Requirements:** None
5. **Specific Record keeping Requirements:** None
6. **Specific Reporting Requirements:** None

SECTION B - EMISSION POINTS, EMISSIONS UNITS, APPLICABLE REGULATIONS, AND OPERATING CONDITIONS(CONTINUED)

07 (7) Slag handling and material transfer

Description:

This is the handling and processing of slag, and moving raw materials.
Construction commenced: 1968.

APPLICABLE REGULATIONS: None

STATE-ORIGIN APPLICABLE REGULATIONS:

401 KAR 63:010, Fugitive emissions, applicable to each operation, or road which emits or may emit fugitive emissions provided that the fugitive emissions from such facility are not elsewhere subject to an opacity standard within the regulations of the Division for Air Quality.

1. **Operating Limitations:** None
2. **Emission Limitations:** None
3. **Testing Requirements:** None
4. **Specific Monitoring Requirements:** None
5. **Specific Record Keeping Requirements:** None
6. **Specific Reporting Requirements:** None

SECTION C - INSIGNIFICANT ACTIVITIES

The following listed activities have been determined to be insignificant activities for this source pursuant to Regulation 401 KAR 50:035, Section 5(4). While these activities are designated as insignificant the permittee must comply with the applicable regulation and some minimal level of periodic monitoring may be necessary.

<u>Description</u>	<u>Regulation</u>
1. Natural gas fired direct heat exchangers, 3 ladle preheaters (4 mmbtu/hr,each)	None.
2. Natural gas fired direct heat exchangers, 3 tundish preheaters (1mmbtu/hr,each)	None.
3. Diesel storage tanks (3@250 gallon, each)	None.
4. Diesel storage tank at melt shop (1000 gal.)	None.
5. Gasoline storage tank (500 gal.)	None.
6. Diesel storage tank at fire pump area (500 gal.)	None.
7. Rolling mill	None.
8. Finishing area	None.
9. Hot mill banding	None.
10. Mill scale handling	None.
11. Parts washer	None.
12. Lime silo, equipped with a baghouse	None.
13. Four reheat furnace tanks.	None

SECTION D - SOURCE EMISSION LIMITATIONS AND TESTING REQUIREMENTS

1. Emissions of carbon monoxide, nitrogen oxides, particulate matter, sulfur dioxide, and VOC's as measured by methods referenced in 401 KAR 50:015, Section 1, shall not exceed the respective limitations specified herein. Applicable test methods include the following:
 - a. Opacity shall be determined by Reference Method 9.
 - b. Particulate matter shall be determined by Reference Method 5 or Reference Method 17 or an acceptable alternate method [401 KAR 59:010, Section 4(1)].
 - c. Sulfur dioxides shall be determined by Reference Method 6 or an acceptable alternate method.
 - d. VOCs shall be determined by Reference Method 25 or Reference Method 25A [40 CFR 60.466(a)(2)].
 - e. VOC content of coatings shall be determined by Reference Method 24 or data provided by the formulator of the coating (manufacturer's formulation data) may be used to determine the VOC content [40 CFR 60.466(a)(1)].
 - f. Nitrogen oxides shall be determined by Reference Method 7 or an acceptable alternate method.
2. Compliance with annual emissions and processing limitations imposed pursuant to 401 KAR 50:035, Section 3(3)(I), and contained in this permit, shall be based on emissions and processing rates for any twelve (12) consecutive months.

SECTION E - SOURCE CONTROL EQUIPMENT REQUIREMENTS

Pursuant to 401 KAR 50:055, Section 2(5), at all times, including periods of startup, shutdown and malfunction, owners and operators shall, to the extent practicable, maintain and operate any affected facility including associated air pollution control equipment in a manner consistent with good air pollution control practice for minimizing emissions. Determination of whether acceptable operating and maintenance procedures are being used will be based on information available to the division which may include, but is not limited to, monitoring results, opacity observations, review of operating and maintenance procedures, and inspection of the source.

SECTION F - MONITORING, RECORD KEEPING, AND REPORTING REQUIREMENTS

1. When continuing compliance is demonstrated by periodic testing or instrumental monitoring, the permittee shall compile records of required monitoring information that include:
 - a) Date, place as defined in this permit, and time of sampling or measurements.
 - b) Analyses performance dates;
 - c) Company or entity that performed analyses;
 - d) Analytical techniques or methods used;
 - e) Analyses results; and
 - f) Operating conditions during time of sampling or measurement;
2. Records of all required monitoring data and support information, including calibrations, maintenance records, and original strip chart recordings, and copies of all reports required by the Division for Air Quality, shall be retained by the permittee for a period of five years and shall be made available for inspection upon request by any duly authorized representative of the Division for Air Quality.
3. The permittee shall allow the Cabinet or authorized representatives to perform the following:
 - a) Enter upon the premises where a source is located or emissions-related activity is conducted, or where records are kept;
 - b) Have access to and copy, at reasonable times, any records required by the permit:
 - i) During normal office hours, and
 - ii) During periods of emergency when prompt access to records is essential to proper assessment by the Cabinet;
 - c) Inspect, at reasonable times, any facilities, equipment (including monitoring and pollution control equipment), practices, or operations required by the permit. Reasonable times shall include, but are not limited to the following:
 - i) During all hours of operation at the source,
 - ii) For all sources operated intermittently, during all hours of operation at the source and the hours between 8:00 a.m. and 4:30 p.m., Monday through Friday, excluding holidays, and
 - iii) During an emergency; and
 - d) Sample or monitor, at reasonable times, substances or parameters to assure compliance with the permit or any applicable requirements. Reasonable times shall include, but are not limited to the following:
 - i) During all hours of operation at the source,
 - ii) For all sources operated intermittently, during all hours of operation at the source and the hours between 8:00 a.m. and 4:30 p.m., Monday through Friday, excluding holidays, and
 - iii) During an emergency.
4. No person shall obstruct, hamper, or interfere with any Cabinet employee or authorized representative while in the process of carrying out official duties. Refusal of entry or access may constitute grounds for permit revocation and assessment of civil penalties.

SECTION F - MONITORING, RECORD KEEPING, AND REPORTING REQUIREMENTS (CONTINUED)

5. Summary reports of any monitoring required by this permit shall be submitted to the Division's Ashland Regional Office at least every six (6) months during the life of this permit, unless otherwise stated in this permit. The reports are due within 30 days after the end of each six month reporting period which commences on the initial issuance date of this permit. The permittee may shift to semi-annual reporting on a calendar year basis upon approval of the regional office. If calendar year reporting is approved, the semi-annual reports are due January 30th and July 30th of each year. All reports shall be certified by a responsible official pursuant to Section 6(1) of Regulation 401 KAR 50:035, Permits. All deviations from permit requirements shall be clearly identified in the reports.
6.
 - a. In accordance with the provisions of Regulation 401 KAR 50:055, Section 1, the owner or operator shall notify the Division for Air Quality's Ashland Regional Office concerning startups, shutdowns, or malfunctions as follows:
 1. When emissions during any planned shutdowns and ensuing startups will exceed the standards notification shall be made no later than three (3) days before the planned shutdown, or immediately following the decision to shut down, if the shut down is due to events which could not have been foreseen three (3) days before the shutdown.
 2. When emissions due to malfunction, unplanned shutdowns and ensuing startups are or may be in excess of the standards notification shall be made within (3) days by telephone (or other electronic media) and shall cause written notice upon request.
 - b. In accordance with the provisions of Regulation 401 KAR 50:035, Section 7(1)(e)2, the owner or operator shall report deviations from permit requirements including those attributed to upset conditions (other than emission exceedances covered by general condition 6 a. Above) to the Division for Air Quality's Ashland Regional Office within seven (7) days of occurrence. Non- emissions related deviations from permit condition shall be reported in the semiannual report.
7. Pursuant to Regulation 401 KAR 50:035, Permits, Section 7(2)(b), the permittee shall annually complete and return a Compliance Certification Form (DEP 7007CC) to the Division's Ashland Regional Office in accordance with the following requirements:
 - a. Identification of each term or condition of the permit that is the basis of the certification;
 - b. The compliance status regarding each term or condition of the permit;
 - c. Whether compliance was continuous or intermittent; and
 - d. The method used for determining the compliance status for the source, currently and over the reporting period, pursuant to 401 KAR 50:035, Section 7(1)(c),(d), and (e).
 - e. The certification shall be postmarked by the thirtieth (30) day following the applicable permit issuance anniversary date, or by January 30th of each year if calendar year reporting is approved by the regional office. Annual compliance certification should be mailed to the following addresses:

Division for Air Quality
Ashland Regional Office
3700 13th Street
Ashland, KY 41105-1507

Division for Air Quality
Central File Room
803 Schenkel Lane
Frankfort, KY 40601

U.S.EPA Region IV
Air Enforcement Branch
Atlanta Federal Center
100 Alabama Street, S.W.
Atlanta, GA 30303-8960

SECTION F - MONITORING, RECORD KEEPING, AND REPORTING REQUIREMENTS (CONTINUED)

8. In accordance with Regulation 401 KAR 50:035, Section 23, the permittee shall provide the division with all information necessary to determine its subject emissions within thirty (30) days of the date the KYEIS emission report is mailed to the permittee.
9. Pursuant to Section VII.3 of the policy manual of the Division for Air Quality as referenced by Regulation 401 KAR 50:016, Section 1(1), results of performance test(s) required by the permit shall be submitted to the division by the source or its representative within forty-five days after the completion of the fieldwork.

SECTION G - GENERAL CONDITIONS(a) General Compliance Requirements

1. The permittee shall comply with all conditions of this permit. Noncompliance shall be (a) violation(s) of state regulation 401 KAR 50:035, Permits, Section 7(3)(d) and Federal Statute 42 USC 7401 through 7671q (the Clean Air Act) and is grounds for enforcement action including but not limited to the termination, revocation and reissuance, or revision of this permit.
2. The filing of a request by the permittee for any permit revision, revocation, reissuance, or termination, or of a notification of a planned change or anticipated noncompliance, shall not stay any permit condition.
3. This permit may be revised, revoked, reopened and reissued, or terminated for cause. The permit will be reopened for cause and revised accordingly under the following circumstances:
 - a) If additional applicable requirements become applicable to the source and the remaining permit term is three (3) years or longer. In this case, the reopening shall be completed no later than eighteen (18) months after promulgation of the applicable requirement. A reopening shall not be required if compliance with the applicable requirement is not required until after the date on which the permit is due to expire, unless this permit or any of its terms and conditions have been extended pursuant to Regulation 401 KAR 50:035, Section 12(2)(c);
 - b) The Cabinet or the U. S. EPA determines that the permit must be revised or revoked to assure compliance with the applicable requirements.;
 - c) The Cabinet or the U. S. EPA determines that the permit contains a material mistake or that inaccurate statements were made in establishing the emissions standards or other terms or conditions of the permit;

Proceedings to reopen and reissue a permit shall follow the same procedures as apply to initial permit issuance and shall affect only those parts of the permit for which cause to reopen exists. Reopenings shall be made as expeditiously as practicable. Reopenings shall not be initiated before a notice of intent to reopen is provided to the source by the Division, at least thirty (30) days in advance of the date the permit is to be reopened, except that the Division may provide a shorter time period in the case of an emergency.

4. The permittee shall furnish to the Division, in writing, information that the Division may request to determine whether cause exists for modifying, revoking and reissuing, or terminating the permit, or to determine compliance with the permit.[401 KAR 50:035, Permits, Section 7(2)(b)3e and 401 KAR 50:035, Permits, Section 7(3)(j)]
5. Any condition or portion of this permit which becomes suspended or is ruled invalid as a result of any legal or other action shall not invalidate any other portion or condition of this permit.[401 KAR 50:035, Permits, Section 7(3)(k)]
6. The permittee shall not use as a defense in an enforcement action the contention that it would have been necessary to halt or reduce the permitted activity in order to maintain compliance. [401 KAR 50:035, Permits, Section 7(3)(e)]

SECTION G - GENERAL CONDITIONS

7. Except as identified as state-origin requirements in this permit, all terms and conditions contained herein shall be enforceable by the United States Environmental Protection Agency and citizens of the United States.
8. This permit shall be subject to suspension if the permittee fails to pay all emissions fees within 90 days after the date of notice as specified in 401 KAR 50:038, Section 3(6). [401 KAR 50:035, Permits, Section 7(3)(h)]
9. Nothing in this permit shall alter or affect the liability of the permittee for any violation of applicable requirements prior to or at the time of permit issuance.[401 KAR 50:035, Permits, Section 8(3)(b)]
10. This permit shall not convey property rights or exclusive privileges.[401 KAR 50:035, Permits, Section 7(3)(g)]
11. Issuance of this permit does not relieve the permittee from the responsibility of obtaining any other permits, licenses, or approvals required by the Kentucky Cabinet for Natural Resources and Environmental Protection or any other federal, state, or local agency.
12. Nothing in this permit shall alter or affect the authority of U.S. EPA to obtain information pursuant to Federal Statute 42 USC 7414, Inspections, monitoring, and entry.[401 KAR 50:035, Permits, Section 7(2)(b)5]
13. Nothing in this permit shall alter or affect the authority of U.S. EPA to impose emergency orders pursuant to Federal Statute 42 USC 7603, Emergency orders.[401 KAR 50:035, Permits, Section 8(3)(a)]
14. Permit Shield: Except as provided in 401 KAR 50:035, compliance by the affected facilities listed herein with the conditions of this permit shall be deemed compliance with the specially identified applicable requirements as of the date of issuance of this permit.
15. All previously issued construction and operating permits are hereby null and void.

(b) Permit Expiration and Reapplication Requirements

This permit shall remain in effect for a fixed term of five (5) years following the date of issue. Permit expiration shall terminate the source's right to operate unless a timely and complete renewal application has been submitted to the Division at least six months prior to the expiration date of the permit. Upon a timely and complete submittal, the authorization to operate within the terms and conditions of this permit, including any permit shield, shall remain in effect beyond the expiration date, until the renewal permit is issued or denied by the Division.

SECTION G - GENERAL CONDITIONS

(c) Permit Revisions

1. A minor permit revision procedure may be used for permit revisions involving the use of economic incentive, marketable permit, emission trading, and other similar approaches, to the extent that these minor permit revision procedures are explicitly provided for in the SIP or in applicable requirements and meet the relevant requirements of Regulation 401 KAR 50:035, Section 15.
2. This permit is not transferable by the permittee. Future owners and operators shall obtain a new permit from the Division for Air Quality. The new permit may be processed as an administrative amendment if no other change in this permit is necessary, and provided that a written agreement containing a specific date for transfer of permit responsibility coverage and liability between the current and new permittee has been submitted to the permitting authority thirty (30) days in advance of the transfer.

(d) Construction, Start-Up, and Initial Compliance Demonstration Requirements

Pursuant to Section VII 2.2.(1) of the policy manual of the Division for Air Quality as referenced by Regulation 401 KAR 50:0016, Section 1.(1), at least one month prior to the date of the required performance test, the permittee shall complete and return a Compliance Test Protocol (Form DEP 6027) to the Division's Frankfort Central Office. Pursuant to 401 KAR 50:045, Section 5, the Division shall be notified of the actual test date at least ten (10) days prior to the test.

(e) Acid Rain Program Requirements

If an applicable requirement of Federal Statute 42 USC 7401 through 7671q (the Clean Air Act) is more stringent than an applicable requirement promulgated pursuant to Federal Statute 42 USC 7651 through 7651o (Title IV of the Act), both provisions shall apply, and both shall be state and federally enforceable.

(f) Emergency Provisions

1. An emergency shall constitute an affirmative defense to an action brought for noncompliance with the technology-based emission limitations if the permittee demonstrates through properly signed contemporaneous operating logs or other relevant evidence that:
 - a) An emergency occurred and the permittee can identify the cause of the emergency;
 - b) The permitted facility was at the time being properly operated;
 - c) During an emergency, the permittee took all reasonable steps to minimize levels of emissions that exceeded the emissions standards or other requirements in the permit; and,
 - d) The permittee notified the Division as promptly as possible and submitted written notice of the emergency to the Division within two working days after the time when emission limitations were exceeded due to the emergency. The notice shall meet the requirements of 401 KAR 50:035, Permits, Section 7(1)(e)2, and include a description of the emergency, steps taken to mitigate emissions, and the corrective actions taken. This requirement does not relieve the source of any other local, state or federal notification requirements.

SECTION G - GENERAL CONDITIONS

2. Emergency conditions listed in General Condition (f)1 above are in addition to any emergency or upset provision(s) contained in an applicable requirement.
3. In an enforcement proceeding, the permittee seeking to establish the occurrence of an emergency shall have the burden of proof.[401 KAR 50:035, Permits, Section 9(3)]

(g) Risk Management Provisions

The permittee shall comply with all requirements of 40 CFR Part 68, Risk Management Plan provisions. If required, the permittee shall:

- a. Submit a Risk Management Plan and comply with the Risk Management Program by June 21, 1999 or a latter date specified by the U.S.EPA.
- b. Submit additional relevant information if requested by the Division or U.S. EPA.

(h) Ozone depleting substances

1. The permittee shall comply with the standards for recycling and emissions reduction pursuant to 40 CFR 82, Subpart F, except as provided for Motor Vehicle Air Conditioners (MVACs) in Subpart B:
 - a. Persons opening appliances for maintenance, service, repair, or disposal shall comply with the required practices contained in 40 CFR 82.156.
 - b. Equipment used during the maintenance, service, repair, or disposal of appliances shall comply with the standards for recycling and recovery equipment contained in 40 CFR 82.158.
 - c. Persons performing maintenance, service, repair, or disposal of appliances shall be certified by an approved technician certification program pursuant to 40 CFR 82.161.
 - d. Persons disposing of small appliances, MVACs, and MVAC-like appliances (as defined at 40 CFR 82.152) shall comply with the recordkeeping requirements pursuant to 40 CFR 82.166.
 - e. Persons owning commercial or industrial process refrigeration equipment shall comply with the leak repair requirements pursuant to 40 CFR 82.156.
 - f. Owners/operators of appliances normally containing 50 or more pounds of refrigerant shall keep records of refrigerant purchased and added to such appliances pursuant to 40 CFR 82.166.
2. If the permittee performs service on motor (fleet) vehicle air conditioners containing ozone-depleting substances, the source shall comply with all applicable requirements as specified in 40 CFR 82, Subpart B, Servicing of Motor Vehicle Air Conditioners.

SECTION H - COMPLIANCE SCHEDULE

None